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Casey's Voice Heard Through Transcript

By MICHAEL WINES
 Special to The New York Times

WASHINGTON, Sept. 16 — He died more than four years ago, but William J. Casey nevertheless delivered a final word today on the Iran-contra affair — a soliloquy in which he was alternately crusty, artful, charming and, in the end, too tired to go on.

It came in a transcript of Mr. Casey's final testimony on the scandal in late 1986, a bare three weeks before he collapsed in his office at the Central Intelligence Agency headquarters, fatally ill with a brain tumor.

Mr. Casey's testimony, given to the Senate Intelligence Committee on Nov. 21, 1986, had been classified until now. After parts were censored, it was made public today by the committee as part of its hearings on the nomination of Robert M. Gates to be Director of Central Intelligence.

The thrust of Mr. Casey's comments had been disclosed at the time. Mr. Casey broadly described for the lawmakers how the C.I.A. had helped ship arms to Iran on orders of the White House, but he omitted other aspects — like the diversion of profits from those arms sales to Nicaraguan rebels, and the fact that the C.I.A. had undertaken the first shipment of arms without written legal authority — that caused a political firestorm when they were disclosed a week later.

Casey Called Story Complete

Mr. Casey told the lawmakers that day that "this testimony is complete as to the basic facts of C.I.A.'s own involvement," but that "we are still combing our records, and we will promptly report any new information."

Mr. Gates told the committee today that while he oversaw the basic preparation of the Casey testimony, he had no idea that it included misleading testimony and regretted that it was incomplete.

Mr. Gates said a meeting the night before Mr. Casey's appearance was so "chaotic" that he could not figure out what changes were being made in the text. About a dozen people "were all arguing with one another about what the facts were."

"There was more than a little shouting going on," Mr. Gates said, adding that Mr. Casey was "writ-

the contras, for themselves and for other secret operations.

The lawmakers grilled Mr. Casey about the agency's first delivery of 18 HAWK missiles to Iran in November 1985, a flight undertaken without a required Presidential directive called a "finding." No one in the C.I.A., he responded, seems to have known what was on the aircraft at the time.

Senator Patrick J. Leahy of Vermont responded in disbelief: "Are you telling me that the C.I.A. owns a proprietary, delivers 18 HAWK missiles using that airplane and didn't know what was on it?"

"That is quite possible," Mr. Casey said. "I suppose it would depend on how they are packaged."

'Hadt't Thought About It'

Told by Mr. Leahy that the C.I.A.'s explanation of the flight sounded false, Mr. Casey responded: "Hadt't thought about it. I hadnt't thought about it."

In his own testimony today, Mr. Gates said that he now believes that Mr. Casey knew at the time what was on the plane.

Mr. Casey also defended the White House's decision not to tell Congress about the arms shipments to Iran, saying, "I viewed it as protecting the people who were taking — risking their lives in this undertaking." He called the operation a "risky, hairy business."

Finally, one lawmaker asked him why the agency did not account for \$48,000 in incidental expenses related to the Iran operation.

"Well, I am not — can anybody answer that question?" Mr. Casey he pleaded. "I am too tired."

Four years later, some omissions are apparent.

ing and tearing up pieces of paper."

The testimony released today shows that Mr. Casey assured the lawmakers that the finances of the Iran arms sales were airtight. "Funding from Iran was transferred to C.I.A. for deposit in a covert funding mechanism," he said. "This action provided a secure means for control, payment and accountability for all funding associated with this program."

In fact, Iran's payments for American arms passed through a Swiss bank account controlled by a White House aide, Oliver L. North, before moving into the C.I.A.'s own Swiss account. Along the way, Mr. North and private associates diverted more than \$10 million for